



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

August 12, 2008

Riad Hussein
President/Owner
Quantech Machining Inc.
24911 W. Avenue Stanford, #121
Valencia, CA 91355

Dear Mr. Hussein:

RE: FINAL MONITORING REPORT for Quantech Machining Inc. - ET07-0153

Date of Last Visit:	11/01/06
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CONTRACT INFORMATION

Term of Agreement	09/23/06 – 09/22/08	Agreement Amount	\$10,400
Type of Trainee	Retrainee	Number to Retain	20
Date Training Started	10/2/06	Range of Hours	8 - 80
Date Training Must Be Completed	06/24/08	Weighted Avg Hours	20

FINAL REPORT SUMMARY

Project Statistics on August 11, 2008:

Trainees Started Training	6	Completed Training	5
Trainees Enrolled	30	Completed Retention	0
Dropped Following Enrollment	5	In Retention Period	0
No. Compl Min Reimbursable Hrs	5		

This Agreement was approved at the September 2006 Panel meeting. A start up meeting was held on September 26, 2006 followed by a 30-day monitoring visit on November 1, 2006.

Your representative, Ms. Fish, previously reported that training began October 2, 2006 for six employees with a Visual Job Shop course delivered at your Valencia facility by Doyle Enterprises, a subcontractor. The ETP online Class/Lab Tracking system shows that five trainees each received from 8 to 16 training hours on October 2 and October 3, 2006. QuickBooks Pro training began November 1 through MK Consulting, a subcontractor; however, no hours were entered into the tracking system for this class.

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www.etp.ca.gov
ETP (04/15/05)

Final Summary Report (continued):

You submitted one invoice to ETP on December 13, 2006 for progress payment 1 (P1 for enrollment and 8 hours of training) for five trainees, and were reimbursed in the amount of \$650.

In February 2007, an Amendment was processed to extend the Agreement term 12 months, increase the maximum hours from 64 to 80, and add curriculum topics.

On March 26, 2007, Ms. Fish emailed the Monitor that effective March 25, 2007 Quantech would be using ADP TotalSource for its payroll and human resource activities. The email stated that Quantech would be in a "co-employer" relationship: Quantech would continue to hire, fire, supervise, and train its employees, while ADP TotalSource, a PEO (Professional Employer Organization), would now be the employer of record and list workers under its own federal and state tax ID numbers. Ms. Fish subsequently provided a copy of the written agreement with ADP TotalSource and the arrangement was approved by ETP Legal on August 2, 2007.

On October 31, 2007, the ETP Monitor called Ms. Fish for a training status update and was informed that she had left the company. The Monitor then left a message for Dominique Reid, Production Supervisor, but received no response.

On November 5, 2007, the Monitor emailed you at Quantechmachining@aol.com, but the email was returned as undeliverable and the Monitor advised the Fiscal Unit to place a "hold" on any further payments.

On November 21, 2007, Ms. Kendrick, the ETP Regional Office Manager, sent you an Early Warning Letter to contact ETP by Friday, November 30, 2007 to discuss the status of your contract and training program. The letter stated that if no activity occurred within 60 days from the date you received the letter, the Panel would terminate your contract and establish an overpayment for the unearned funds disbursed to date. Since that time, there has been no contact from any Quantech personnel.

On January 25, 2008, David Guzman, Chief, ETP Program Operations Division, recommended that the ETP Fiscal Unit close out the contract and establish an overpayment (\$650.00).

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Please contact your Monitoring Analyst within ten working days at (818) 755-3633 or nweingart@etp.ca.gov if you have any questions or comments.

Sincerely,

Signature on File

Dolores Kendrick, Manager
Los Angeles Regional Office

Signature on File

Naomi Weingart, Contract Analyst
Los Angeles Regional Office

Cc: David Guzman, Chief, ETP Program Operations Division (email)
Amber Luiz, ETP Assistant Director (email)
ETP Master File
ETP Project File

Date report mailed to Contractor 08/13/08